

LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: FEBRUARY 6, 2006

FROM: SAMUEL MARTINEZ, LAFCO Analyst
MICHAEL TUERPE, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: **Agenda Item #7:** LAFCO 3028 – City of Redlands Annexation No. 86
(Jacinto)

INITIATED BY:

Property Owner Petition

RECOMMENDATION:

The staff recommends that the Commission take the following actions:

1. With respect to environmental review:
 - a) Certify that the Commission, its staff and its Environmental Consultant have independently reviewed and considered the City's environmental assessment and Negative Declaration, including the Addendum prepared by LAFCO's Environmental Consultant;
 - b) Determine that the City's environmental assessment and Negative Declaration, including the Addendum, taken together, are adequate for the Commission's use as a CEQA Responsible Agency for its consideration of LAFCO 3028;
 - c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project, and that mitigation was not required for the project;
 - d) Adopt the Addendum as presented by the Commission's Environmental Consultant and related De Minimis Impact Finding Statement that addresses the environmental assessment for the additional acreage of the right-of-way areas that are a part of this annexation; and,

- e) Direct the Clerk to file the Notices of Determination within five (5) days; find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees for its environmental determinations; and direct the Clerk to file a Certificate of Fee Exemption for the Addendum prepared by the Commission's Environmental Consultant.
2. Approve LAFCO 3028 – City of Redlands Annexation No. 86 with the following conditions:
- a) Completion of LAFCO 3028 shall be held in abeyance, for a period not to exceed six months, to allow for the signing of an agreement between the City of Redlands and the County of San Bernardino for the continued provision of fire protection and paramedic services to the site from County Service Area 38's Station #9. Failure to submit the signed contract within the time period specified will terminate LAFCO 3028;
 - b) Upon completion of LAFCO 3028, the City of Redlands shall succeed to all rights, duties and powers for the administration of the County designated Agricultural Preserve overlaying Assessor Parcel Numbers 0297-121-10 and 0297-121-11 as outlined pursuant to Government Code Section 51235. Thereafter, pursuant to the City's Resolution No. 6433, the City shall cancel the Agricultural Preserve as specified; and,
 - c) The standard terms and conditions of approval that include the "hold harmless clause for potential litigation, continuation of fees, charges, assessments.
3. Waive protest proceedings, as permitted by Government Code Section 56663(c), with 100% landowner consent and concurrence from the City of Redlands.
4. Adopt LAFCO Resolution #2908, setting forth the Commission's findings, determinations, and conditions of approval concerning this proposal.

BACKGROUND:

In September 2005, property owner Larry Jacinto requested annexation to the City of Redlands for his three parcels, totaling 17.51 +/- acres, through submission of a property owner petition and application materials. The study area is generally located at the northeast corner of Wabash Avenue and San Bernardino Avenue and is within the City of Redlands eastern sphere of influence, within the community of Mentone. The annexation site is contiguous to existing City boundaries along its western boundary. Location and vicinity maps are included as Attachment #1 to this report.

The request for annexation was prompted by the approval of a Conditional Use Permit (CUP) for a contractor's storage yard by the County's Land Use Services Department for Assessor Parcel Number (APN) 0297-121-07, the northernmost parcel within the application. In order for the property owner to receive an occupancy permit for the project, proof of a City of Redlands water service connection is required. Since the property is contiguous to the City of Redlands along Wabash Avenue, extension of water services is contingent upon annexation. As the Commission is aware, this is a requirement of "Measure U" which was approved by City voters in 1997 and outlined for implementation in the City's Municipal Code Section 13.60.030 (included as Attachment #2).

In addition, the property owner has included two additional parcels he owns southerly of the contractor's storage yard and north of San Bernardino Avenue. These two parcels, APN's 0297-121-10 and 0297-121-11, are currently part of the Mentone Agricultural Preserve, designated by the County, and are currently in active citrus production. No development application is currently on file for this area.

BOUNDARIES:

The boundaries of the proposed annexation address the three parcels between San Bernardino Avenue and the vacated right-of-way easement for Carlsbad Avenue. The annexation site is generally bordered by parcel boundaries, which include the vacated right-of-way easements for the natural extension of Carlsbad Avenue on the north, parcel boundaries on the east, San Bernardino Avenue on the south, and Wabash Avenue (existing City of Redlands boundary) on the west.

On several occasions in the past, the Commission has expressed its concern regarding a piecemeal approach to annexation in the Mentone/Crafton communities and directed staff to review the expansion of any proposal submitted to create a more logical and efficient boundary. The property owner attempted to address Commission concerns by including the full block area between San Bernardino Avenue and the Carlsbad Avenue right-of-way; however, as presented, the proposal will still create a peninsula to the north by substantially surrounding two parcels. However, as shown on Figure 1 below, these two parcels are a part of the existing County Mentone Agricultural Preserve and a staff review of the site shows that they are in active citrus production.

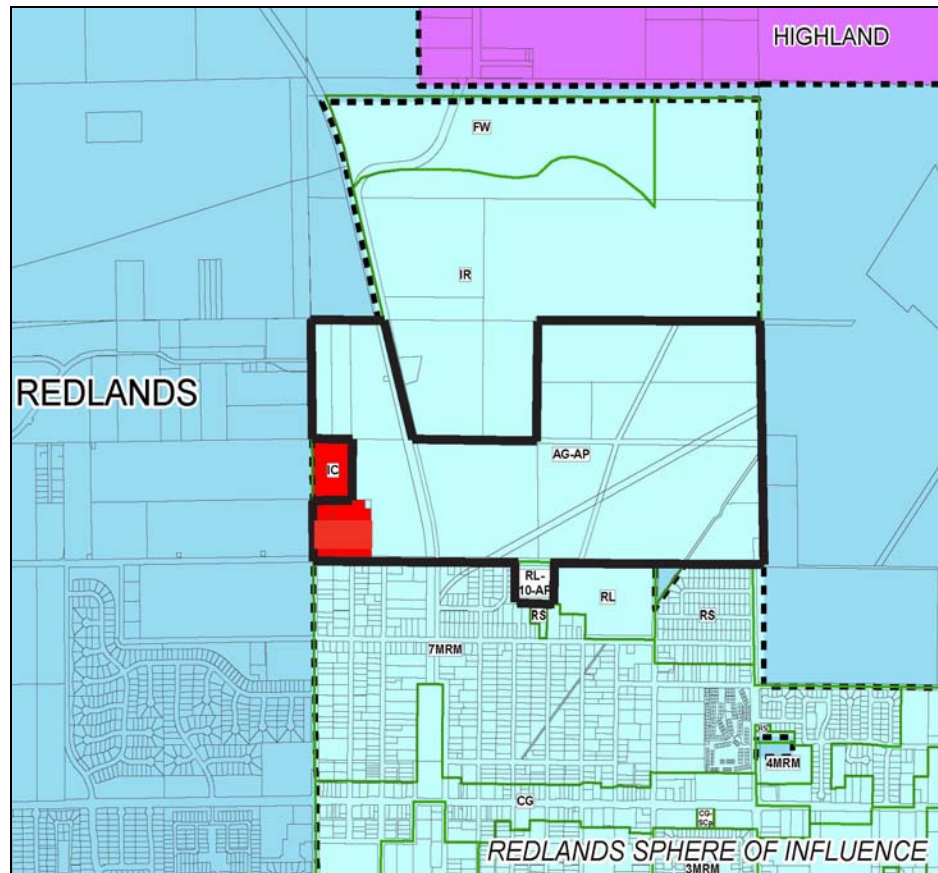


Figure 1. This illustration provides the County's land use districts and the extent of the entire Mentone Agricultural Preserve, as it currently exists.

Therefore, even though including these two parcels would create a logical boundary and eliminate the creation of the peninsula of unincorporated territory, it would not comply with the statutory directives to the Commission to guide development and municipal service providers away from active agricultural uses as evidenced by the Agricultural Preserve. These provisions are outlined in Government Code Sections 56377 and 56668 which require the Commission to determine the effect of annexation on maintaining the physical and economic integrity of agricultural lands. At present these parcels are a part of the County Agricultural Preserve and do not require services from the City of Redlands.

Therefore, staff believes that the annexation proposal, as presented, including the whole-block area along Wabash Avenue between San Bernardino Avenue and the vacated right-of-way for the natural extension of Carlsbad Avenue, provides for a logical service boundary without detriment to the physical integrity of the Mentone Agricultural Preserve.

LAND USE:

The annexation area is surrounded by the following land uses: to the north lands in agricultural (citrus) production; to the east a combination of vacant land, agricultural production and a single-family residence; to the south single-family

residences; and vacant lands to the west within the City of Redlands. While the area to the west of LAFCO 3028 is currently vacant, it is slated to be developed as the City's Sports Park. In addition, to the northwest of the annexation area is the City-owned Redlands Municipal Airport. Both the proposed park and the airport are within the City's corporate boundaries.

County Land Use Issues:

The current County land use designations for the proposal area are:

- IC (Community Industrial) on APN 0297-121-07 (6.73 acres);
- AG-AP (Agricultural, Agricultural Preserve) on APN's 0297-121-10 & 11 (8.9 acres); and,
- The balance of the annexation area includes the (half-width) road right-of-ways for Wabash Avenue and San Bernardino Avenue as well as the (half-width) vacated right-of-way for Carlsbad Avenue.

The County's Agricultural Preserves were established for the purpose of preserving agricultural and open space lands, to designate areas within which a Williamson Act Contract could be entered into, and to discourage premature and unnecessary conversion of agricultural lands to urban uses. An agricultural preserve must contain a minimum of 100 acres. The parcels within the annexation area are designated AG-AP and were established in the early 1970's as a part of the "Mentone Agricultural Preserve", one of many Agricultural Preserves in the County at the time.

In 1992, the County removed APN 0297-121-07 as a part of the Agricultural Preserve through a General Plan Amendment (Ordinance No. 3519) that changed the land use designation from AG-AP to IC. On March 18, 2002 the County approved the CUP for the contractor's storage yard on this parcel, and a subsequent revision to the approved CUP was re-issued on March 18, 2005. Currently, the applicant is in the final stage of construction for the contractor's storage yard.

City Land Use Issues:

Prior to September 2005, the City's General Plan designation for the area was Agricultural. On September 6, 2005, in response to the property owner's application, the City Council adopted a General Plan Amendment (Resolution No. 6435) changing the General Plan land use designation for APN 0297-121-07 from Agricultural to Light Industrial and for APN's 0297-121-10 and 11 from Agricultural to Commercial Industrial. Even though the Light Industrial land use designation has been generally compatible with agricultural uses, the City opted to designate the northerly parcel as Light Industrial and the two parcels southerly of the contractor's storage yard as Commercial Industrial to allow for a reasonable

transition between the industrial use on the northerly parcel and the existing residential uses south of the annexation area.

The City of Redlands pre-zoned the annexation area M-1 (Light Industrial District) for APN 0297-121-07 and C-M (Commercial Industrial District) for APN's 0297-121-10 and 11. These land use designations are consistent with the City's General Plan designation for the area and are generally compatible with surrounding land uses.

Agricultural Preserve Issues:

As noted under the boundary discussion above, the southerly two parcels within the annexation area are within the County's Mentone Agricultural Preserve as outlined on Figure 1 above. In addressing the Agricultural Preserve's existence, Government Code Section 51235 states that "an agricultural preserve shall continue in full effect... following annexation... of land within the preserve." The section goes on to state that "any city... acquiring jurisdiction over land in a preserve... shall have all the rights and responsibilities specified in this act for cities or counties including the right to enlarge, diminish, or disestablish an agricultural preserve within its jurisdiction."

In response to these statutes, LAFCO staff is proposing a condition of approval for LAFCO 3028 that includes the transfer of these two parcels to the City of Redlands as an Agricultural Preserve. As a result, the City will succeed to the rights, duties, and power of the County of San Bernardino in regard to the administration of the area as an Agricultural Preserve. However, as part of the City's land use review, it has opted to disestablish these parcels as an agricultural preserve upon annexation. Based on the criteria and the findings that were made regarding the two parcels, the City adopted Resolution No. 6433, (included as part of Attachment #3), which fulfills the requirement of Government Code Section 56752, approving the removal of the Agricultural Preserve status on APN's 0297-121-10 and 11. The removal of the Agricultural Preserve from these two parcels will become effective upon completion of this annexation.

In reviewing this proposal, the Commission is charged with guiding development away from lands currently in agricultural use towards areas containing non-prime agricultural lands, unless that action would not promote the planned, orderly and efficient development of an area (Government Code Section 56377). The proposed land use of light industrial, especially the proposed development of a contractor's storage yard, has been generally deemed a compatible use adjacent to existing agricultural uses. Future uses and/or new development proposals within the annexation area will require further analysis by the City of Redlands prior to construction. This pre-zoning action for the entire annexation area and the termination of the Agricultural Preserve on the two parcels will become effective upon completion of this annexation.

SERVICES:

The City of Redlands has submitted a plan for the extension of municipal services for the annexation area as required by law and Commission policy (included as part of Attachment #4 to this report). The City's application also provides an outline of the City's fiscal impact study, required by LAFCO policy for a Plan for Service, indicating that the project will have a positive financial effect for the City. In general, the Plan identifies the following:

- Fire protection is currently provided by County Service Area 38 through the San Bernardino County Consolidated Fire Agency and would be replaced by the City of Redlands Fire Department upon annexation. The City indicates that its Fire Department has sufficient personnel and equipment to adequately serve the project area. However, ongoing fire response is anticipated to be provided through the existing City and County mutual aid and joint response agreements since the existing County fire station, Station No. 9, is located approximately one (1) mile from the annexation site.

Paramedic services are currently funded within the City through a special paramedic tax assessment. Upon annexation, the parcel for the contractor's storage yard (which is classified under commercial and industrial with 20,000 – 39,999 sq. ft. of floor area) will be subject to this assessment which is estimated to be approximately \$158.95 per year. The vacant parcels will not be taxed for paramedic services until such time as development occurs.

Previous annexation proposals in the Mentone community have been subject to questions regarding the issue of the efficient delivery of fire protection and paramedic services. The Commission directed that these concerns be addressed by the County and the City through a negotiation process that would include consideration of the County continuing to provide this service through County Service Area 38 Station #9 within the Mentone community. Representatives of the City and County, at the staff level, have come to an agreement that fire protection and paramedic services to the area will continue to be provided by the County. Staff is proposing that LAFCO 3028 be subject to the same agreement as the other two City of Redlands' annexation proposals (LAFCO 2989 and 2990). A copy of the letter signed by City and County staff is included as Attachment #5.

Both the County and the City have requested that the Commission move forward with its decision pending the finalization of this agreement. Thus, if the Commission approves LAFCO 3028, a condition of approval is recommended that the completion of LAFCO 3028 shall be held in abeyance, for a period not to exceed six months, pending the submission of a signed agreement from both respective governing bodies.

- Law enforcement responsibilities will shift from the San Bernardino County Sheriff's Department to the City of Redlands. The City indicates that its Police Department has sufficient personnel and equipment to adequately serve the

project area. The City Community Policing station is located at 1381 East Citrus Avenue, approximately 2.6 miles from the annexation area.

Law enforcement services have also been an issue identified in previous annexation proposals within the Mentone community that the Commission felt needed to be addressed in terms of providing the efficient delivery of service. However, given the annexation area's proximity to the City's corporate limits along Wabash Avenue, the City of Redlands can provide law enforcement service to the area efficiently and effectively.

- Sewage collection services will not be provided to the contractor's storage yard. Though the annexation area would be within the City's wastewater master plan service area, the existing sewer infrastructure is approximately 1,300 feet away and is not anticipated to be extended. However, the property owner has been required by the County's land use approval process to put in a dry sewer line along the Wabash Avenue frontage of the parcels in order to accommodate eventual sewer service.
- Water service will be provided by the City of Redlands. Water system production and transmission capital costs will be offset by development impact fee charges, while operation and maintenance costs will be offset by user fees.
- Upon annexation, the parcels will also have an additional special tax assessment of 0.0135 percent of the assessed valuation of the property to fund the City's Measure "O" debt service. This bond measure was passed in 1987 to fund the purchase of land for parks, recreation, citrus preservation, and open space within the City.

As required by Commission policy and State law, the Plan for Service submitted by the City of Redlands shows that the extension of its services will maintain, and/or exceed, current service levels provided through the County. The City's fiscal impact analysis, required as a part of the Plan for Service by Commission Policy, indicates the project had a positive cost-benefit ratio.

ENVIRONMENTAL:

The City of Redlands prepared an Initial Study and Negative Declaration for the annexation (Annexation No. 86), pre-zoning (Zone Change No. 414), General Plan Amendment No. 106 and the termination of agricultural preserve status (Agricultural Preserve Removal No. 111 for APNs 0297-121-10 and 11). In addition, the Commission's Environmental Consultant, Tom Dodson and Associates, prepared an Addendum to the City's environmental assessment to address the additional acreage for the right-of-way areas that are a part of this proposal. A copy of the City's environmental assessment and the Addendum are included as Attachment #6 to this report.

Mr. Dodson has determined that, if the Commission approves LAFCO 3028, the City's environmental document and the Addendum, taken together, are adequate for Commission's use as a responsible agency under CEQA. Mr. Dodson recommends that the following actions be taken by the Commission as a responsible agency:

- a) Certify that the Commission, its staff and its Environmental Consultant, have independently reviewed and considered the City's environmental assessment and Negative Declaration, including the Addendum prepared by LAFCO's Environmental Consultant;
- b) Determine that the City's environmental assessment and Negative Declaration, including the Addendum, taken together, are adequate for the Commission's use as a CEQA responsible agency for its consideration of LAFCO 3028;
- c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project, and that mitigation was not required for the project;
- d) Adopt the Addendum as presented by the Commission's Environmental Consultant, and related De Minimis Impact Finding Statement that addresses the environmental assessment for the additional acreage of the right-of-way areas that are a part of this annexation; and
- e) Direct the Clerk to file the Notices of Determination within five (5) days; find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fee for its environmental determination; and direct the Clerk to file a Certificate of Fee Exemption for the Addendum prepared by the Commission's Environmental Consultant.

WAIVER OF PROTEST PROCEEDINGS:

The Registrar of Voters has certified that the study area is legally uninhabited and the County Assessor's Office has verified that the study area possesses 100% landowner consent to annexation. Staff has requested the City's concurrence in waiving the protest proceeding for this proposal as allowed under Government Code Section 56663. The City has indicated its consent; therefore, staff is recommending that the Commission approve this proposal, waive further protest proceedings, and direct the Executive Officer to complete the action, upon completion of applicable conditions of approval. A copy of the landowner consent form and the City's response are included as a part of Attachment #7.

FINDINGS:

The following determinations are required to be provided by Commission policy and Government Code Section 56668 for any change of organization/ reorganization proposal.

1. The Registrar of Voters Office has certified that the annexation area is legally uninhabited, containing zero (0) registered voters as of November 2, 2005.
2. The annexation area is within the sphere of influence assigned for the City of Redlands, within the Mentone community.
3. The County Assessor has determined that the total assessed value of land within the annexation area is \$813,098, and that 100% of the landowners have consented to the annexation.
4. Commission review of this proposal has been advertised in *The Sun* and the *Redlands Daily Facts*, newspapers of general circulation within the study area. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification.
5. LAFCO staff has provided an individual notice to the landowner within the annexation area (1 notice), and to landowners and registered voters surrounding the study area (74 notices) in accordance with State law and adopted Commission policies. To date, no written comments or protests have been received regarding the consideration of this proposal.
6. The City of Redlands has pre-zoned the study area M-1 (Light Industrial District) on APN 0297-121-07 and C-M (Commercial Industrial District) on APN 0297-121-10 and 11. These zoning designations are consistent with the City's General Plan and are generally compatible with the surrounding agricultural land uses in the area. Pursuant to the provisions of Government Code Section 56375(e), these zoning designations shall remain in effect for two years following annexation unless specific actions are taken by the City Council.
7. Within the annexation is a portion of the Mentone Agricultural Preserve. Upon annexation, the administration of this portion of the Agricultural Preserve will transfer to the City of Redlands. The City will be responsible for the administration of this Preserve pursuant to the provisions of Government Code Section 51230 through Section 51239.
8. The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the City of Redlands' Initial Study and Negative Declaration for the annexation (Annexation No. 86), pre-zoning (Zone Change No. 414), General Plan Amendment No. 106 and Agricultural Preserve Removal No. 111. In addition, Mr. Dodson prepared an Addendum to the City's environmental assessment to address the right-of-way areas that are a part of

this proposal. Mr. Dodson recommends that, if the Commission approves the proposal, the City's Initial Study and Negative Declaration, including the Addendum, taken together, are adequate for the Commission's review of the annexation proposal as a responsible agency. A copy of the City's environmental assessment and the Addendum are included as Attachment #6 to this report.

9. The area in question is presently served by the following local agencies:

County of San Bernardino
San Bernardino Valley Municipal Water District
Inland Empire Resource Conservation District
San Bernardino Valley Water Conservation District
County Service Area 70 Improvement Zone P-7 (inactive park and recreation district within the Mentone community)
County Service Area 38 (fire protection)
County Service Area 70 (multi-function unincorporated area Countywide)

Detachment of County Service Area 70, County Service Area 38, and Improvement Zone P-7 of County Service Area 70 will automatically occur upon successful completion of this proposal, pursuant to the provisions of Government Code Section 25210.90. None of the other agencies are affected by this proposal as they are regional in nature.

10. The City of Redlands has submitted a plan for the extension of municipal services to the study area, as required by law. This plan is included as a part of Attachment #4 to this report and indicates that the City can maintain and/or improve the level and range of services currently available in the area.
11. The annexation proposal complies with Commission policies that indicate the preference for areas proposed for development at an urban-level land use to be included within a City so that the full range of municipal services can be planned, funded, extended and maintained.
12. The annexation area can benefit from the availability and extension of municipal services from the City of Redlands.
13. This proposal will not assist in the City's ability to achieve its fair share of the regional housing needs since the entire annexation area is zoned for industrial development.
14. The County of San Bernardino and the City of Redlands have successfully negotiated a transfer of property tax revenues that will be implemented upon completion of this annexation. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.

15. The map and legal description, as revised, are in substantial compliance with LAFCO and state standards through certification by the County Surveyor's Office.

CONCLUSION:

The property owner of the three parcels within the annexation area submitted this proposal in order to receive water service from the City of Redlands as a requirement for development of a single parcel and to consolidate his land holdings. The City has indicated its support for this application (a part of Attachment #7), certified the Plan for Service and has supported the development of the contractor's storage yard on the site.

Staff supports the City's proposal on the basis that:

- a) The City's Municipal Code clearly states that all projects that are contiguous to the City's boundaries must annex prior to receiving service and the application responds to this requirement;
- b) Since the annexation proposal includes a whole-block area along Wabash Avenue between San Bernardino Avenue and the vacated right-of-way for the natural extension of Carlsbad Avenue, it will provide a logical and serviceable boundary; and,
- c) The proposed development of a contractor's storage yard has been generally compatible with the existing agricultural land uses surrounding the area. As a result, it will not impact the longevity of the existing agricultural uses in the area nor will it hasten the conversion of these agricultural lands that surround it. Government Code Section 56377 identifies the Commission's responsibility to consider the conversion of open space and agricultural land and to guide development away from existing agricultural uses. This is clearly addressed since the proposed use is generally compatible with agricultural uses. In addition, the contractor's storage yard is also deemed compatible with the sports park proposed to the west within existing City boundaries.

For these reasons, and those outlined within the staff report, staff recommends approval of LAFCO 3028.

SM/MT

Attachments:

1. Vicinity Maps and Annexation Area Maps
2. Chapter 13.62 of the City's Municipal Code
3. City's Resolution 6433 and Resolution 3649

4. Application Submitted by the Property Owner and Plan for Service Certified by the City of Redlands
5. Joint Letter from the City of Redlands and County Related to Fire Protection and Paramedic Services
6. Environmental Response and Addendum from Tom Dodson and Associates including the City of Redlands' Environmental Assessment for Annexation No. 86, Zone Change No. 414, General Plan Amendment No. 106 and Agricultural Preserve Removal No. 111
7. Landowner Consent Form Including the City's Concurrence to Waive Protest Proceedings and City of Redlands Letter In Support of Application
8. Draft Resolution No. 2908